The U.S. Department of Health and Human Services (HHS) today announced the availability of Recovery Act funds for state programs that establish, enforce, collect and distribute child support.

Currently, the federal government provides incentive payments to states based on the strength of their child support enforcement programs. States are required to use these incentive payments to strengthen their child support enforcement programs. Under a new provision in the Recovery Act, these incentive payments will be matched by the federal government. The change will make approximately \$1 billion in new resources available to states across the country.

"Every child deserves the support of both parents," said HHS Spokeswoman Jenny Backus. "The Recovery Act will increase resources for child support enforcement and will help parents make ends meet and children receive the money they are due."

The Recovery Act temporarily reverses a provision in the Deficit Reduction Act of 2005 that ended the practice of providing federal matching funds for the state expenditure of incentive payments.

The new Recovery Act provision is effective Oct. 1, 2008 through Sept. 30, 2010. States will receive the additional match funding based on any incentive funds used during FY 2009 and FY 2010, including incentives earned and not spent in prior years. States will access the additional funds as they currently do, through grant awards based on quarterly expenditures.

Recovery Funds Impact on Child Support Incentives

First Quarter Incentive Awards

The activities described in this release are being funded through the American Recovery and Reinvestment Act (ARRA). To track the progress of HHS activities funded through the ARRA,

visit <u>www.hhs.gov/recovery</u> . To track all federal funds provided through the ARRA, visit <u>www.recovery.gov</u>